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April 16, 2012

The Honorable Eugene Asicksik Mayor, City of Shaktoolik P.O. Box 10 Shaktoolik, AK 99771

RE: Denali Commission (Commission) Letter of Support - City of Shaktoolik (City) Water Storage Tank Insulation Project – Shaktoolik, Alaska

Dear Mayor Asicksik:

The Commission is pleased to provide this letter of support to the City for the proposed project to repair the water storage tank insulation system. As you know, the damaged water storage tank's insulation system has cost the City an estimated \$20,000 per year in unnecessary heating costs, based on an energy audit completed by the Alaska Native Tribal Health Consortium in 2011. The Commission has been providing technical assistance to the City in acquiring needed funds to repair the insulation, and this letter reflects the Commission's availability and willingness to continue serving in that role for the City.

Based on an estimate completed by the City's Village Safe Water engineer, replacement of the water storage tank's insulation system will cost approximately \$257,156, if completed during the 2012 construction season. At this time, the City has secured or is in the process of securing funding from the following sources:

- \$33,307.50 Federal Emergency Management Agency/State of Alaska Division of Homeland Security and Emergency Management This funding is to replace approximately 25% of the water storage tank sidewall insulation package that was damaged during a November 2011 storm.
- \$106,256.57 State of Alaska Village Safe Water Program This funding will replace the water storage tank roof insulation package that has been missing since a 2003 repair project.

As is discussed above, only the roof and 25% of the sidewall insulation package has been funded for replacement. At this time it is still necessary to obtain additional funding to ensure that a complete replacement insulation package can be purchased and installed and that all of the anticipated conditions associated with each of these grants are met.

This project represents an opportunity for federal, State and local agencies and organizations to leverage available resources and work together to assist a rural Alaskan community to improve its physical infrastructure and protect it for the long-term. The

Commission fully supports the City's efforts to seek out the remaining funds to repair the water tank insulation.

Please do not hesitate to contact me via phone at: 907-271-1197; or, via email at mspafford@denali.gov, if you have any questions or need any assistance.

Sincerely

Mark Spafford, P.E.

Senior Program Manager

CONCURRENCE:

Nancy Merriman, Senior Program Manager

Denali Commission

04.16.2012

Date